

**MEMBER SOUND BYTES**

Member Sound Bytes is a feature designed to help you get to know your fellow members better, as well as give members a space to voice their opinions on healthcare IT issues. This month, members were asked "How has the trend towards outsourcing affected your organization?"



**Name:** Hal Augustine  
**Title:** Former VP & CIO  
**Organization:** Jefferson Health System  
**Location:** Radnor, PA  
**Organization Type:** IDN  
**Bed Size:** 1,000 or more

We have "select-sourced" certain functions rather than a full outsource agreement. The business partners selected have been vendor-hosted services. The results have followed our expectations of real cost savings and allowing internal IT staff and management to focus on implementation and optimization. I believe them to be a win for us to date.



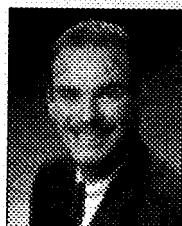
**Name:** Charles Jones  
**Title:** Senior VP & CIO  
**Organization:** Baptist Health System  
**Location:** Birmingham, AL  
**Organization Type:** IDN  
**Bed Size:** 1,000 or more

The trend toward outsourcing in healthcare is simply a sign of the economic times in this industry. Healthcare organizations are having to "reinvent" themselves, and doing that effectively requires that they focus on redesigning their core business lines and consider alternative delivery models for everything else. For companies in the IT outsourcing business, provision of IT services is their core business, so one way to look at outsourcing is that it converts "overhead" employees of HCOs into "core business line" employees of the IT outsourcing company. After a "due diligence" and contracting process that spanned over a little more than a year, Baptist outsourced 110 of its 126 Information Resources employees in September 2002, and in retrospect I think that was one of the best decisions I ever made. Employees of the outsourcing company [Siemens] who were formerly Baptist employees are no less a part of the "Baptist family" today than they were before this decision – but they have access to much better resources [e.g., for measuring and managing to operational performance metrics], education and training, and career growth opportunities. Our senior management team and board – and perhaps more importantly, I believe the Baptist employees who made this transition – are very pleased with this relationship.



**Name:** Mike McDevitt  
**Title:** CIO  
**Organization:** Children's Health System  
**Location:** Birmingham, AL  
**Organization Type:** IDN  
**Bed Size:** 100-249

The trend has definitely added to the options we explore when purchasing new applications and, most recently, in our planning for a new data center. Further, as we all continue to analyze the contributions of IT to our organizations, knowing and considering the alternatives offered through full or limited outsourcing allows a balanced view of value as compared to traditional in-house operations.



**Name:** Mike Rosencrance  
**Title:** VP – IS  
**Organization:** University of Wisconsin Medical Foundation  
**Location:** Madison, WI  
**Organization Type:** Group Practice/Clinic  
**Bed Size:** N/A

At UWMF, certain functions lend themselves to consider outsourcing proposals such as document production/ mailing (statements or paper claims), disaster recovery sites, infrastructure management or computer operations. While we continue to investigate outsourcing opportunities, none have presented themselves that offer the desired flexibility or increased functionality with a pricing structure that is competitive with our present expense level. Historically speaking, outsourcing has been a lot like bell-bottoms, going in and out of style. Vendors tend to see an opportunity to capitalize on the trend and jump into it only to find out it's more costly than they initially believe and the profits they envisioned don't materialize. Customers tend to believe they can replicate functionality for a cheaper price and often find that their cost structure doesn't decrease as much as they had hoped.



## CHIME Welcomes New Members...

Mark D. Amey  
Regional CIO  
Adventist Health  
Glendale, CA

James A. Croker  
Director - IS  
Central Arkansas Hospital  
Searcy, AR

CHIME extends a warm welcome to the new members listed below. Thank you for recognizing CHIME as America's premier organization serving the needs of the healthcare IT executive!

John P. McDaniel  
CIO  
New Hanover Health  
Network  
Wilmington, NC

William E. Watercutter  
CIO  
Upper Valley Medical  
Center  
Troy, OH

Richard E. Beran  
Director - IS  
Fremont Area Medical  
Center  
Fremont, NE

John Daniels  
CIO  
DoD Health Service  
Region 5  
Wright Patterson AFB, OH

James Mormann  
CIO  
Iowa Health System  
Des Moines, IA

Alan D. Wyman  
VP - IT  
Wausau Hospital  
Wausau, WI

Mark Brookman  
CIO  
Margaret R. Pardee  
Memorial Hospital  
Hendersonville, NC

Lyman Dennis  
CIO  
Partnership Healthplan of  
California  
Fairfield, CA

Dwight Muller  
Director of IS/CIO  
Southern New Hampshire  
Health System  
Nashua, NH

James R. Younkin  
CIO  
Sunbury Community  
Hospital & Outpatient  
Center  
Sunbury, PA

Michael Brummett  
CSO  
US Air Force Medical  
Service  
Alexandria, VA

Ronald D. Doremus  
Vice President & CIO  
H. Lee Moffitt Cancer  
Center & Research Ins  
Tampa, FL

Jacqui Phillips  
Director  
Baycrest Centre  
Toronto, ON

William Colbert  
VP & CIO  
University Health Care  
System  
Augusta, GA

Craig Hanenburg  
Director - IT  
Mather LifeWays  
Evanston, IL

David Rowley  
VP & CIO  
Rex Healthcare  
Raleigh, NC



**Look Who's Talking...**

Each month several members can be found quoted and noted in the top healthcare magazines. Use this feature as your guide to what your peers are talking about.

MEMBER	MAGAZINE	TYPE OF MENTION	ARTICLE TITLE
Ferren, Allison	Advance for Health Information Executives May 2003	Quoted	"Tablet Deployments Take Hold," p. 16
Hummel, John	Advance for Health Information Executives May 2003	Author	"Action! CPOE from the CIO's Chair," p. 23
Andersen, Mark L.	Advance for Health Information Executives May 2003	Author	"Ensuring Availability in an Online Environment," p. 29
Stanek, Janet	Advance for Health Information Executives May 2003	Author	"Using Consultants to Support Your Many Roles," p. 45
George, Christopher	Advance for Health Information Executives May 2003	Author	"Using Workflow Automation in the Care Process," p. 49
Jones, Charles	Advance for Health Information Executives May 2003	Author	"An Overview of Knowledge Management," p. 53
Tucker, Stephen	Advance for Health Information Executives June 2003	Quoted	"Computers Battle Real Virus," p. 12
Blades, Bob Enicks, Charlie Evans, George Skinner, Rick	Advance for Health Information Executives June 2003	Roundtable Participants	"Gearing Up for HIPAA Transactions," p. 26
Morgan, Richard	Advance for Health Information Executives June 2003	Author	"You Don't Have to Be Big to Be Aggressive," p. 47
Ferrautola, Lex	Continuity Insights May/June 2003	Quoted	"Hackensack University Medical Center Takes Recovery to a Whole New Level"
Martin, Len	Healthcare Informatics May 2003	Quoted	"Portable Medical Data Moves Beyond Discussion Phase," p. 22
Pecoraro, David	Healthcare Informatics June 2003	Quoted	"Specialized Digital Hospitals Take Off Nationwide," p. 19
Corn, Rick	Healthcare Informatics June 2003	Quoted	"Choosing a Vendor," p. 87

## Look Who's Talking...Continued

MEMBER	MAGAZINE	TYPE OF MENTION	ARTICLE TITLE
Sheets, Cindy	Healthcare Informatics June 2003	Author	"Eliminating the Paper Chase," p. 98
Rogers, Rich	Healthcare Informatics June 2003	Author	"Office Capabilities with Home Comforts," p. 104
Tang, Paul	The Wall Street Journal June 5, 2003	Quoted	"Drug Makers Retool Web Sites with Broad Health Offerings"

Are you going to be featured in an upcoming article? Let us know about it! Send information to [awizauer@cio-chime.org](mailto:awizauer@cio-chime.org) or contact Anne at (734) 665-0000. We hope we haven't overlooked anyone; if we have, please contact us and we'll be sure to mention you in the next issue. CHIME will print mentions appearing in the last three months.

## CALENDAR OF EVENTS

DATE	EVENT	CONTACT
October 19 – 21	HEALTHCARE CIO BOOTCAMP Westin Kierland Resort and Spa Scottsdale, AZ	Keith Fraidenburg <a href="mailto:BootCamp@cio-chime.org">BootCamp@cio-chime.org</a>
October 21 – 24	FALL CIO FORUM Westin Kierland Resort and Spa Scottsdale, AZ	Leigh Vogelsong <a href="mailto:lvogelsong@cio-chime.org">lvogelsong@cio-chime.org</a>
<b>2004</b>		
February 22	SPRING CIO FORUM Orlando Convention Center Orlando, FL	Leigh Vogelsong <a href="mailto:lvogelsong@cio-chime.org">lvogelsong@cio-chime.org</a>
February 22 – 26	HIMSS ANNUAL CONFERENCE Orlando Convention Center Orlando, FL	Karen Malone <a href="http://www.himss.org">www.himss.org</a>
October 5 – 8	FALL CIO FORUM Hilton La Jolla Torrey Pines La Jolla, CA	Leigh Vogelsong <a href="mailto:lvogelsong@cio-chime.org">lvogelsong@cio-chime.org</a>

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